Contract for the construction of power plants to Mls. Wartsil$_a$ of Finland

1490. SHRI SUBRAMANIAN SWAMY; Will the Minister of INDUSTRY be pleased to state:

(a) whether it *k* **e** fact that NGEF and Bangalore Power Generating Company contract for construction and installation of 24 MW captive power plants has been awarded to a foreign company Mls. Wartsila of Finland;

(b) whether BHEL bid through a tender for the same contract and tailed to get it; and

(c) whether thi$_s$ failure signifies the increasing cost, inefficiency and non-competitive character of BHEL, and what are the reasons therefor?

THE MINISTER OF INDUSTRY <SHRI J. VENGAL RAO): (a) In January, 1989, Government have approved the import by M/s. Bangalore Power Generation Company Limited of 4 Nos. Wartsila (Finland) Generating Sets of 6000 KW rating.

(b) Yes, Sir.

(c) No, Sir.

Non-availability of cement for irrigation project in Andhra Pradesh

1491. SHRI GOPALA RAO RAO: Will the Minister of INDUSTRY bs pleased to state:

(a) what was the quantity of cement made available to Andhra Pradesh for its ongoing irrigation projects during the period from 1986 to 30th March, 1989;

(b) whether it is a fact that all the irrigation projects in Andhra Pradesh are lying incomplete due to non-supply **of** cement?

(c) if so, what action has been taken by the Central Government in thi$_s$ regard; and

(d) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM); (a) During the period 28-2-82 to 28-2.89 only part of cement produced was under price and distribution control, which was termed as 'levy' cement. Details of levy cement despatches made to the Government of Andhra Pradesh for its irrigation projects from 1986 to 31st March 1989 are as under:—

(Figures in Metric Tonnes)

Year	Despatches made
1986 .	124452
1987 .	139369
1988 .	, 61540
1989 . (upto 31-3-89)	10082 (Provisional)

As regards non-levy cement since it was free from price and distribution controls, the question of making allocation of this category of cement did not arise.

(b) Alter removal of price and distribution control on cement industry in respect of cement produced from 1-3-89, the requirement of cement for the various projects has to be met from the open market.

(c) and (d) Do not arise.